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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MONTANA

Case No. 08-61570-11-RBK

In re:

YELLOWSTONE MOUNTAIN CLUB, LLC,

BRIAN A. GLASSER, AS SUCCESSOR
TRUSTEE OF THE YELLOWSTONE CLUB
LIQUIDATING TRUST,

Plaintiff,

v.

vs.

TIMOTHY L. BLIXSETH, CASA 20

LLC, TAMARINDO, LLC

Defendants.

Adversary No. 09-00064

No. 2:13-cv-00068

DECLARATION OF BEAU BLIXSETH

I, Beau Blixseth, declare:

1. I am a resident of Portland, Oregon and I am the son of Timothy L. Blixseth. In March of 2007 I began working for Blixseth Group, Inc. an Oregon corporation owned entirely by my father. In 2007 I worked on several real estate development projects including the Pinnacle at the

1 Yellowstone Club, Yellowstone Club Master Planning, the Desert Ranch properties in Oasis,
2 California, and the Buffalo Bill Ranch in Cody, Wyoming, also known as Monster Lake.

3 2. In August 2008 Tim Blixseth and Edra Blixseth divorced. BGI became an asset of
4 Edra Blixseth. I resigned from BGI on August 28, 2008. Blixseth Group of Washington was created
5 replace the function that BGI served as an operating company. Employees including Carolyn
6 Wheeler, Patrick Ratte and myself were deemed the responsibility of Tim Blixseth in the Marriage
7 Settlement Agreement. Therefore, payroll, HR, insurance, and 401k's had to be transitioned to a new
8 entity: BGW. From August 2008 until March of 2009 I was an employee of BGW.

10 3. In April of 2009, I executed a Consulting Agreement with BGW for one year at a base
11 compensation of \$250,000.00. Between April 1, 2009 and April 30, 2010 – period of 28 pay cycles –
12 I was compensated \$38,461.52. I was owed \$230,769.12 when I left Blixseth Group of Washington
13 to work for Western Pacific Timber. This amount was adjusted for a debit of \$7,474.18 related to
14 insurance paid on my behalf. Thus, the final amount owed to me by Blixseth Group of Washington
15 as of May 2010 was \$223,294.94.

17 4. In May of 2010 I started working at Western Pacific Timber at an annual salary of
18 \$100,000 per year. On February 15, 2011 I was paid \$100,000 of the \$223,294.94 owed to me for
19 work performed for Blixseth Group of Washington. Thus the amount left owing to me was
20 \$123,294.94. This sum was paid to me on May 23, 2011 by Kawish, LLC. I have since realized that
21 Patrick Ratte, the controller for Blixseth Group of Washington, debited this in the general ledger and
22 characterized as it as a Desert Ranch management fee when it was actually a final settlement for the
23 work performed while contracted with BGW. The only Desert Ranch management fee I collected
24 was on May 11, 2011 in the amount of \$100,000 for services performed between November, 2009
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1 and October, 2011. Although I served as a manager of Desert Ranch Management, LLC. from late
2 2008 to 2013, the period for which I was contracted to be paid for these management services was
3 November 1, 2009 through October 31, 2011. The annual fee for these services was \$50,000.

4 5. In summary, I received a total of \$223,294.94, plus a credit for insurance of \$7,474.18
5 for compensation due to me from Blixseth Group of Washington. These sums were received
6 \$100,000 February 15, 2011 and the balance of \$123,294.94 on May 23, 2011. I received a total of
7 \$100,000 on May 11, 2011 for management responsibilities with regard to Desert Ranch
8 Management. Since May 23, 2011, I have not received any compensation from either BGW or
9 Desert Ranch Management.
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11 I hereby declare that the above statement is true to the best of my knowledge and belief, and
12 that I understand it is made for use as evidence in court and is subject to penalty for perjury.
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14 DATED this 3rd day of June, 2015.

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16 Beau Blixseth
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